



AFFORDABLE CARE ACT MASSACHUSETTS IMPLEMENTATION UPDATE

November 6, 2012

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These Updates, published by the Executive Office of Health and Human Services (EOHHS) in consultation with the other state agencies involved in ACA implementation, will bring you news related to the implementation of provisions of the ACA here in Massachusetts.

Grants and Demonstrations

The ACA provides funding opportunities to transform how health care is delivered, expand access to care and support healthcare workforce training.

Guidance

11/6/12 HHS/CMS published the final rule "Medicaid Program; Payments for Services Furnished by Certain Primary Care Physicians and Charges for Vaccine Administration under the Vaccines for Children Program." The rule implements §1202 of the Health Care and Education Reconciliation Act (HCERA), passed alongside the ACA, which provides increased payments for certain Medicaid primary care services. Under this provision, certain physicians that provide eligible primary care services would be paid the Medicare rates in effect in calendar years (CY) 2013 and 2014 (or if greater, the Medicare rate in effect in 2009) instead of their usual state-established Medicaid rates, which may be lower than federally established Medicare rates. Increased payment applies to primary care services delivered by a physician with a specialty designation of family medicine, general internal medicine, or pediatric medicine or related subspecialists. 100% FFP is available to states for the difference between the Medicare rate and the state Medicaid payment rate as of July 1, 2009. The increase applies to a specific set of services and procedures that CMS designates as "primary care services." The increase applies to billing codes for a specific set of evaluation and management (E&M) services and certain vaccine administration services.

Read the final rule at: [GPO](#)

Read the HHS press release at: <http://www.hhs.gov/news/press/2012pres/11/20121101d.html>

Read the HHS fact sheet at: [CMS](#)

Prior guidance can be viewed at: www.healthcare.gov

News

11/1/12 Commonwealth Fund report finds that the number of employees with health insurance in small businesses is declining and contends that the ACA can help mitigate the trend. Only 33% of employees in businesses with fewer than 50 employees received health insurance through their employers in 2010, decreased from 58% in 2003. However, almost 90% of employees in companies with 100 or more employees received health insurance through their employers in both 2003 and 2010.

The report's authors argue that the ACA will improve the affordability and comprehensiveness of health insurance coverage for employees in small businesses through the ACA's provisions to offer tax credits for small businesses and to develop health insurance exchanges that offer products for businesses and their employees.

Exchanges will provide competitive marketplaces for individuals and small employers to directly compare options and purchase private health insurance. An Exchange both facilitates the purchase of Qualified Health Plans (QHP) by qualified individuals and provides for the establishment of a **Small Business Health Options Program (SHOP)**. Beginning in January 2014, Exchanges will operate a SHOP authorized under ACA §1311 which will provide small employers with new ways to offer employee health coverage and access to tax credits that make coverage more affordable.

Read the final rule and the interim final rule "Establishment of Exchanges and Qualified Health Plans; Exchange Standards for Employers" (which covers the SHOP provision) at: [Rules](#)
Read the correction to the final rule at: <http://www.gpo.gov/fdsys/pkg/FR-2012-05-29/pdf/2012-12914.pdf>

A small business health care **tax credit** is available under ACA §1421 to certain small employers that pay at least half of the cost of individual coverage for their employees. This federal credit is targeted to help those small businesses and tax-exempt organizations that primarily employ low and middle-income workers. This tax credit is available to both qualified employers who currently offer coverage and those that want to begin offering coverage and is meant to offset some of the costs associated with doing that. The eligibility rules refer to the number of full-time equivalent employees, not the number of employees; credits or partial credits are available to employers with 10 or fewer full-time equivalent employees.

Learn more about the small business tax credit at: <http://www.irs.gov/uac/Small-Business-Health-Care-Tax-Credit-for-Small-Employers>

The report analyzes 2012 CPS data and projects that in 2014 of those 27.6 million low and moderate income workers uninsured in 2011, 37% will be eligible for Medicaid; 50% for subsidized private insurance; and 13% for non-subsidized private insurance.

Read the Commonwealth Fund report at: [Commonwealth Fund](#)

10/31/12 Chad Boulton, MD, MPH, MBA, was appointed to lead the Patient-Centered Outcomes Research Institute's (PCORI) program on Improving Health Systems. Dr. Boulton's appointment is the latest as PCORI assembles a team to oversee the organization's comparative effectiveness research. Dr. Boulton will direct one of the five core research programs

corresponding to the five priority areas that PCORI plans to fund as identified in PCORI's five [National Priorities for Research](#).

Created under §6301 of the ACA, PCORI is an independent, nonprofit organization, expected to provide billions in federal funds for studies and tasked with conducting patient-centered outcomes research. Its mission is to fund research that will provide patients, their caregivers, clinicians and other stakeholders with the evidence-based information needed to make better-informed health care decisions. PCORI Funding Announcements are issued to support comparative clinical effectiveness research and are based on PCORI's [National Priorities for Research](#) which was approved by PCORI's Board of Governors in May 2012 and updated, in part, based on public feedback from individuals and organizations. PCORI is committed to continuously seeking input from a broad range of stakeholders to guide its work and determine which projects to research and fund.

Dr. Boulton joins PCORI after serving as a senior adviser for Geriatrics and Long-Term Care for the Centers for Medicare and Medicaid Services' Center for Medicare and Medicaid Innovation.

Read more about this announcement as well as appointments to other PCORI programs at: [PCORI](#)

More information about PCORI is available at www.pcori.org

Upcoming Events

Money Follows the Person (MFP) Working Group Meeting

November 28, 2012, 2:00 PM -3:30 PM
State Transportation Building
10 Park Plaza
Boston, MA

Please contact MFP@state.ma.us if you would like to attend the meetings. Requests for reasonable accommodations should be sent to MFP@state.ma.us. Although an RSVP is not required, it is appreciated.

An **MFP 101 introductory session** will also be held at the State Transportation Building on November 28, 2012 from 1:30 PM-2:00 PM for those not familiar with MFP.

Bookmark the **Massachusetts National Health Care Reform website** at: <http://mass.gov/national health reform> to read updates on ACA implementation in Massachusetts.

Remember to check <http://mass.gov/masshealth/duals> for information on the "**Integrating Medicare and Medicaid for Dual Eligible Individuals**" initiative.